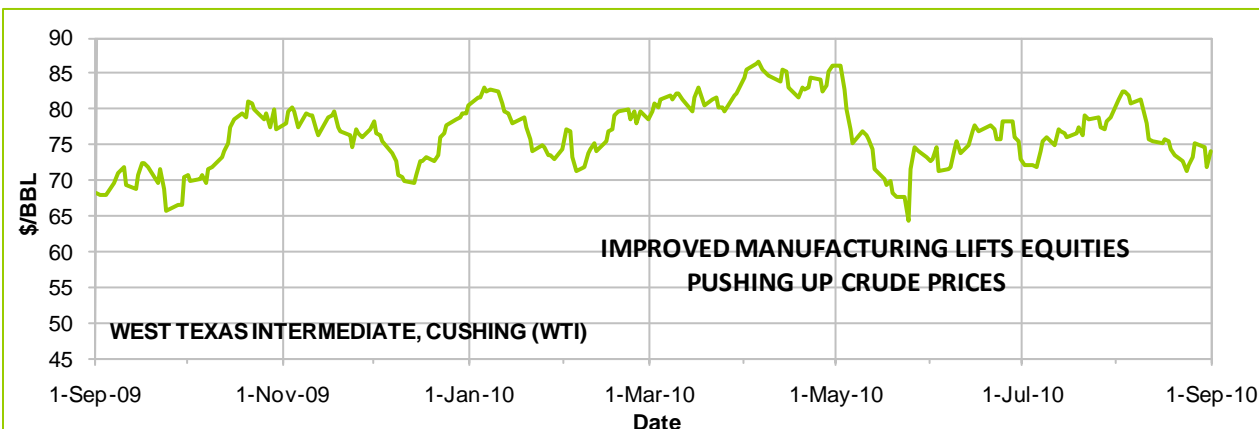


## Crude Oil



Crude inventories rose by 3.4 million barrels this week compared to an expected gain of only 1.5 million and a 5-year average decline of 1.3 million. An increase in production of 1.7% and a 0.5% decline in inputs to refineries (refinery utilization fell from 87.7% to 87.0%) offset a 2% fall in imports and lead to the larger than expected gain in inventories. Crude stocks have improved to 5.3% above last year and 10.8% above the 5-year average. Inventory levels are at their highest level for this date since 1990 and are the second highest ever for the time period.

Crude prices followed the stock market upward as equities reacted to improved manufacturing levels. Spot prices and futures prices were up \$1.91 and \$2.96 for the week after falling by \$10.45 and \$8.86 over the previous 3 weeks. The spot price settled at \$73.95, \$5.87 (8.6%) higher than a year ago. Futures prices were at \$78.96, \$7.51 (10.5%) higher than last year. Both prices are about 49% below 2008's peak price.

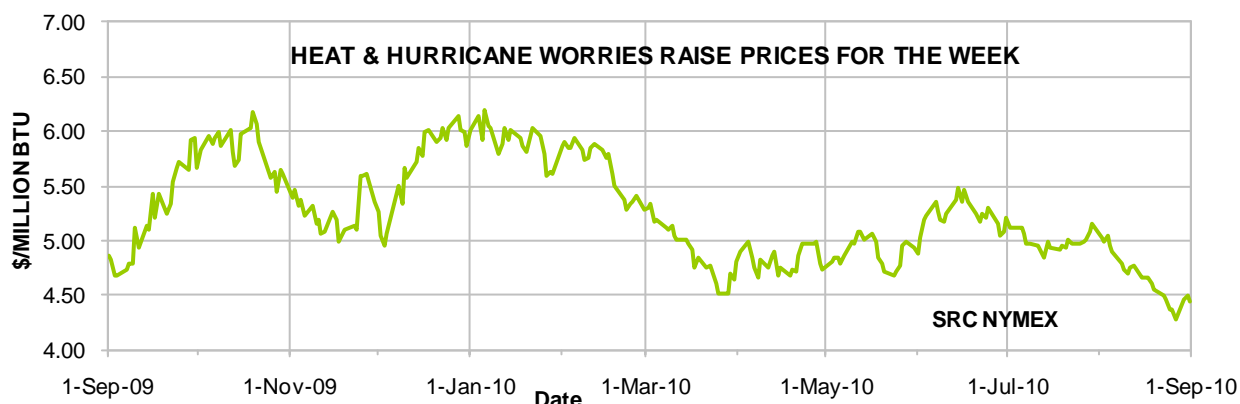


## Natural gas



Inventories grew by 54 BCF this week. This was 3.8% above the expected injection level of 52 BCF but 11.8% below the 5-year average gain of 61 BCF. Over the past 24 weeks inventories have grown by 1,491 BCF, 6.9% higher than the normal gain of 1,395 BCF. At 3,106 BCF, this week's inventory level is 5.8% above the 5-year average but trails last year's record high of 3,314 BCF by 6.3%. Inventories remain at high levels despite U.S. cooling degrees days running 21% above normal this year.

Futures prices rose this week on hurricane fears and hot weather. Futures prices settled at \$4.436 per million BTU, up 6.7 cents for the week but 8.9% lower than a year ago. They are 66.7% below their 2008 peak. Spot prices fell by 26 cents this week. At \$3.740 per million BTU, they are 59.2% higher than a year ago but 71.9% below their 2008 peak price. The 12-month strip is now at December 2002 levels.

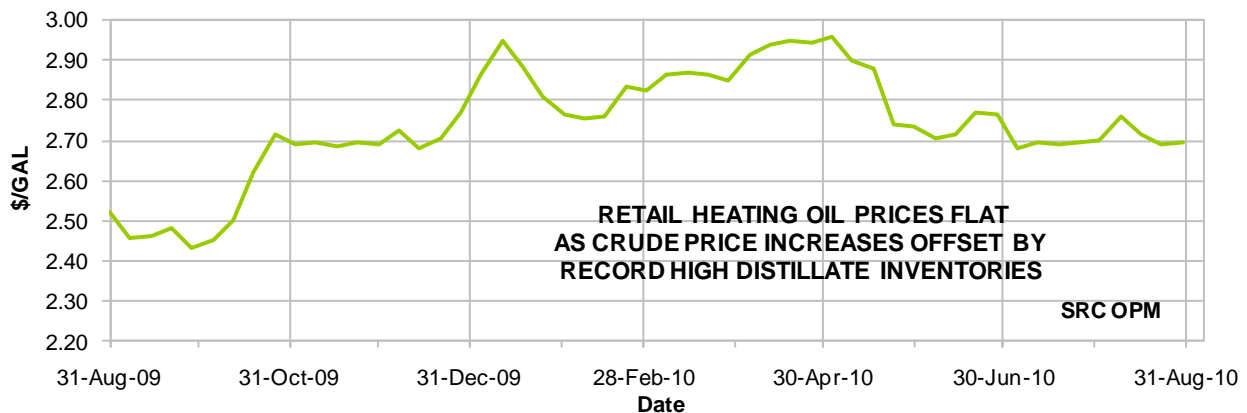


# Heating oil



Distillate stocks fell unexpectedly by 0.7 million barrels this past week as demand rose and production fell. Inventory levels are still at record highs. They are 7.2% above last year and 25.4% above the five-year average

The 12 month strip rose by 7.3 cents this week as prices followed crude upward. It is now at \$2.130/gal, 24.5 cents (13.0%) higher than a year ago. The spot price rose by 5.9 cents this week and is at \$2.020 /gal, 29.1 cents (16.8%) above last year. Prices are about half of their 2008 peaks. Retail prices rose by 0.2 cents this week as record high distillate inventories tempered some of the impact of higher crude prices. Retail prices are at \$2.695/gal. They are 17.2 cents (6.8%) above a year ago but are \$2.072 (43.5%) below their 2008 peak price. The highest price in this week's survey was \$3.249 and the lowest was \$2.359. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



## Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
31-Aug-09	2.694	2.999	2.490	2.506	2.999	2.099	2.523	2.710	2.339
16-Aug-10	2.856	3.299	2.400	2.677	3.199	2.249	2.701	2.970	2.480
23-Aug-10	2.841	3.299	2.400	2.668	3.199	2.279	2.673	2.840	2.480
30-Aug-10	2.826	3.249	2.400	2.679	3.199	2.399	2.681	2.840	2.480
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
31-Aug-09	2.517	2.669	2.399	2.549	2.599	2.400	2.466	2.599	2.390
16-Aug-10	2.651	2.759	2.599	2.798	2.899	2.540	2.666	2.799	2.499
23-Aug-10	2.645	2.759	2.599	2.729	2.899	2.490	2.629	2.799	2.499
30-Aug-10	2.617	2.679	2.549	2.751	2.899	2.590	2.623	2.749	2.499
	NEW HAVEN								
	AVG	HIGH	LOW						
31-Aug-09	2.442	2.679	2.159						
16-Aug-10	2.657	2.890	2.399						
23-Aug-10	2.629	2.890	2.359						
30-Aug-10	2.639	2.899	2.359						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning August 30, 2010. Figures reflect per gallon prices without discount.

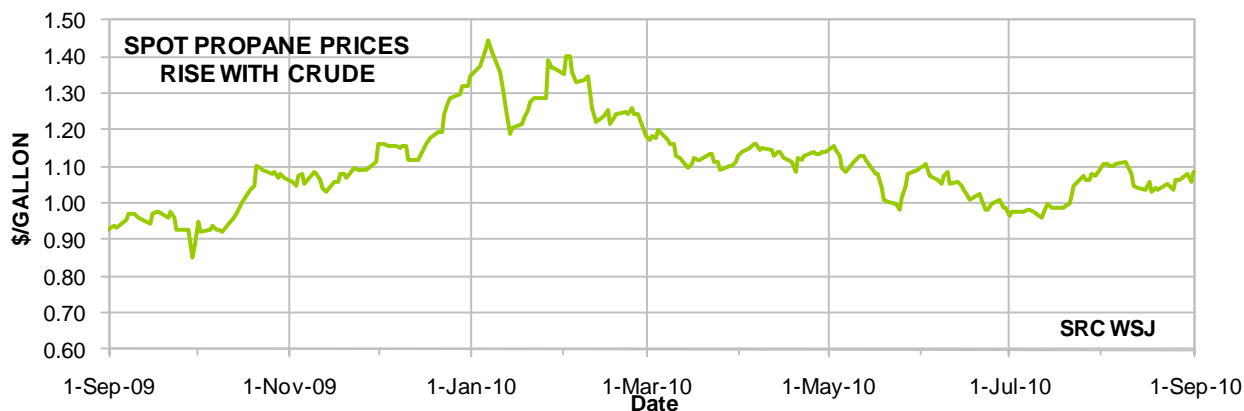
For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventories increased by 1.5 million barrels this past week. This was 7 times the 5-year average gain of 0.2 million for this time period. Over the past 24 weeks inventories have grown by 37.4 million barrels, 22% above the 5-year average gain of 30.6 million for the time period. Current storage levels now trail last year's levels by only 9.9% compared to by 22% just 5 weeks ago. Inventories have improved to 2.2% above the 5-year average.

Spot propane prices have been generally tracking crude oil prices. They were 5.1 cents higher this past week after falling by 6.9 cents over the previous three weeks. Prices have fallen by 36.0 cents (24.9%) since the beginning of the year. At \$1.086 per gallon yesterday, spot prices are 16.0 cents (17.3%) higher than a year ago but 45.1% lower than their peak 2008 price. According to census data, propane heats 2.7% of homes in Connecticut.



# Gasoline



Gasoline inventories fell by 212,000 barrels this past week compared to an expected decline of 250,000 and a 5-year average decline of 1.4 million barrels. Inventories levels have improved to 9.7% above last year and 13.6% above the 5-year average. Stocks are at their highest level ever for this date.

Futures and spot prices have followed crude prices upward this week. At \$2.026/gal, futures were up 8.6 cents and are 14.4 cents (7.6%) higher than last year. At \$1.911/gal, the spot price rose by 6.9 cents and is 10.8 cents (6.0%) higher than a year ago. Spot prices and futures prices are about 44% below their 2008 peaks. Retail prices fell by 2.7 cents this past week and by 9.7 cents over the past 3 weeks. Weak demand, high inventories, and previously falling crude prices have lead to the lowest retail prices of the year. At \$2.801/gal, retail prices are 3.0 cents (1.1%) lower than a year ago and they are 36.2% (\$1.589) below 2008's peak.

